

**GOVERNMENT OF INDIA
LABOUR
LOK SABHA**

UNSTARRED QUESTION NO:2142
ANSWERED ON:03.12.2001
EMPLOYEES FUND IN SPECIAL DEPOSIT ACCOUNT
RAMJI MANJHI

Will the Minister of LABOUR be pleased to state:

- (a) whether the Employees State Insurance Corporation(ESIC) caused loss of crore of rupees by making investment in the special deposit account with Reserve Bank of India instead of nationalised banks where the rate of interest was higher than in RBI;
- (b) if so, whether his Ministry had given some explanations to the Comptroller and Auditor General (CAG) in response to their observations made in the report; and
- (c) the reaction of his Ministry in this regard?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI MUNI LALL)

(a) to (c): ESIC is basically a Social Security Organisation. While investing its funds 'rate of interest' has never been the sole criteria but safety aspect has also been given due weightage. The C&AG has been suitably informed in this regard.